REMARKS

Reconsideration of the application is requested in view of the modifications above and the remarks below.

Rejections Under 35 USC 102

1. Rejection Under U.S.C. 35 USC §102 as anticipated by JP 10-021,901 (Watada).

The Office Action rejected Claims 22-25, 27-29 and 42-43 under 35 USC 102 as anticipated by Watada. The rejection should be withdrawn in view of the modifications above and the remarks below.

It is well settled that in order for a prior art reference to anticipate a claim, the reference must disclose each and every element of a claim with sufficient clarity to prove its existence in prior art. The disclosure requirement under 35 USC 102 presupposes knowledge of one skilled in art of a claimed invention, but such presumed knowledge does not grant a license to read into prior art reference teachings that are not there. See *Motorola Inc. v. Interdigital Technology Corp.* 43 USPQ2d 1481 (1997 CAFC).

Applicants' invention as encompassed by Claim 24 relates to a coated nickel hydroxide having a cobalt hydroxide coating. The nickel hydroxide is stable to oxidation and the coating has 1 to 200 mmol of one or more anions of weak inorganic oxygen acids per mol of cobalt(II) hydroxide on the surface of the coating such that the anions form, at most, a monomolecular layer.

Watada discloses a nickel hydroxide having a cobalt hydroxide coating that additionally contains a doping element A and an anion B. The production of the cobalt hydroxide coating is carried out by precipitating a cobalt salt containing anions in the presence of a salt A-B (see Abstract).

Watada does not disclose Applicants' invention. Watada's nickel hydroxide having a cobalt hydroxide coating that additionally contains a doping element A and an anion B does not disclose Applicants' coated nickel hydroxide having a cobalt hydroxide coating. Watada's disclosing that production of the cobalt hydroxide coating is carried out by precipitating a cobalt salt containing anions in the presence

of a salt A-B does not disclose Applicants' coated nickel hydroxide that is stable to oxidation in which the coating has 1 to 200 mmol of one or more anions of weak inorganic oxygen acids per mol of cobalt(II) hydroxide on the surface of the coating such that the anions form, at most, a monomolecular layer. According to Wataba, the production of the cobalt hydroxide coating is carried out by precipitating a cobalt salt containing anions in the presence of a salt A-B (see Abstract). Thus, the anion B is dispersed in the cobalt hydroxide coating. Wataba does not disclose anions forming on a surface as a layer. Watada simply does not disclose each and every element of a claim with sufficient clarity to prove Applicants' invention existed in the prior art. Reconsideration is requested.

Rejections Under 35 USC 103

Rejection of Claim 26 Under 35 USC §103(a) as unpatentable over over JP 10-021,901 (Watada) in view of U.S. Patent No. 6,007, 946 (Yano)

Claim 26 stands rejected under 35 USC §103(a) as unpatentable over JP 10-021,901 (Watada) in view of U.S. Patent No. 6,007, 946 (Yano). The rejection should be withdrawn in view of the remarks below.

It is well established that to establish a *prima facie* case of obviousness, the USPTO must satisfy all of the following requirements. First, the prior art relied upon, coupled with the knowledge generally available in the art at the time of the invention, must contain some suggestion or incentive that would have motivated the skilled artisan to modify a reference or to combine references. *In re Fine*, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). Second, the proposed modification must have had a reasonable expectation of success, as determined from the vantage point of one of ordinary skill in the art at the time the invention was made. *Amgen v. Chugai Pharmaceutical Co.* 18 USPQ 2d 1016, 1023 (Fed Cir, 1991), *cert. denied* 502 U.S. 856 (1991). Third, the prior art reference or combination of references must teach or suggest all of the limitations of the claims. *In re Wilson*, 165 USPQ 494, 496, (CCPA 1970).

Applicants' invention as encompassed by Claim 26 relates to a coated nickel hydroxide having a cobalt hydroxide coating. The nickel hydroxide is stable to

oxidation and the coating has 1 to 200 mmol of one or more anions of weak inorganic oxygen acids per mol of cobalt(II) hydroxide on the surface of the coating such that the anions form, at most, a monomolecular layer. The nickel hydroxide is in the form of powder and wherein the nickel hydroxide has an average particle size (D50 value, measured by the Mastersizer method) of 0.5 to 500 µm. Applicants' coated nickel hydroxide has a very high anion concentration on the surface of the cobalt hydroxide coating and has excellent oxidation stability. The total concentration of the anions in the cobalt hydroxide coating is comparatively small, which makes it useful in commercial applications.

Watada teaches a nickel hydroxide having a cobalt hydroxide coating that additionally contains a doping element A and an anion B. The production of the cobalt hydroxide coating is carried out by precipitating a cobalt salt containing anions in the presence of a salt A-B.

Yano teaches a non-sintered nickel electrode for an alkaline storage battery, a yttrium metal powder and/or a yttrium compound powder that is added to a finely divided active material comprising composite particles, in which each consists of a nickel hydroxide core and a sodium-doped cobalt compound shell.

One of ordinary skill in the art following the teachings of Watada would not have been motivated by Yano to modify Watada, make or practice Applicants' invention. Watada's teaching that production of the cobalt hydroxide coating is carried out by precipitating a cobalt salt containing anions in the presence of a salt A-B would not have motivated one of ordinary skill in the art to modify Wataba, singly or in combination with Yanos, and make Applicants' oxidation stable coated nickel hydroxide. Wataba teaches that the production of the cobalt hydroxide coating is carried out by precipitating a cobalt salt containing anions in the presence of a salt A-B. Such teachings would have taught one of ordinary skill in the art that the anions B would merely be dispersed throughout the cobalt hydroxide coating without formation of a layer.

Yanos's non-sintered nickel electrode, yttrium metal powder and/or a yttrium compound powder that is added to a finely divided active material (and its other teachings) would not have provided any teachings to the artisan to modify Wataba

as alleged. Yano and Wataba are fundamentally different inventions without teachings that support the alleged modification. 35 USC 103 compels the withdrawal of the rejection. Reconsideration is requested.

In view of the foregoing amendments and remarks, allowance of the pending claims is earnestly requested.

Respectfully submitted,

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